

**BILL NO. 92-46
AS AMENDED**

COUNTY COUNCIL

OF

HARFORD COUNTY, MARYLAND

BILL NO. 92-46 as amended

Introduced by Council President Wilson at the request of the County Executive

Legislative Day No. 92- 16

Date: May 26, 1992

AN ORDINANCE to authorize and empower Harford County, Maryland to borrow, on its full faith and credit, and issue and sell its bonds or other form of indebtedness therefor, in an amount not to exceed Thirty-Five Million One Hundred Twenty-Five Thousand Dollars (\$35,125,000) principal amount, the proceeds thereof to be used for the expansion, reconstruction, rehabilitation, renovation and improvement of certain water and sewerage system projects as described in the Annual Budget and Appropriation Ordinance, as amended, for the year ending June 30, 1993 and as described in this Ordinance (collectively the "Projects") in accordance with Section 524 of the Charter of Harford County ("Charter") and Sections 123-40 and 256-26 of the Code of Harford County ("Code") or as otherwise permitted by law; authorizing

By the Council, May 26, 1992

Introduced, read first time, ordered posted and public hearing scheduled

on: June 16, 1992

at: 6:00 P.M.

By Order: Doris Poulsen, Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on June 16, 1992, and concluded on June 16, 1992.

Doris Poulsen, Secretary

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

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the County Council of Harford County, Maryland to adopt an administrative resolution that shall provide for the form of instrument by which any indebtedness or financing obligation is to be evidenced, the manner by which any indebtedness, line of credit, financing lease or similar obligation may be secured, the form of various documents as are necessary to implement the financing authorized herein, the manner of issuance and delivery of any evidences of indebtedness, the payment of all necessary expenses in connection therewith, the method by which such evidences of indebtedness shall be sold, the rate(s) of interest to be paid, maturity schedule, redemption provisions, and generally for such other matters as may be deemed appropriate by the County Council of Harford County, Maryland in connection

By the Council, May 26, 1992

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on _____, and concluded on _____.

_____, Secretary

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

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herewith; authorizing the appointment of certain agents; and otherwise generally relating to the issuance, sale, delivery and payment of any such evidences of indebtedness or financing obligations; providing that such indebtedness shall be issued upon the full faith and credit of Harford County, Maryland; providing for the issuance of bond anticipation notes upon passage of a resolution by the County Council of Harford County, Maryland approving the interest rate or rates on said bond anticipation notes for all or a portion of the projects described herein, for which the proceeds of sale of the bond anticipation notes shall be used; providing that within twelve (12) months after the issuance of the bond anticipation notes, or any renewal thereof, the County Council of Harford County, Maryland shall authorize the issuance of bonds to pay said bond anticipation notes;

By the Council, May 26, 1992

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on _____, and concluded on _____.

_____, Secretary

EXPLANATION:

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Introduced by Council President Wilson at the request of the County Executive

Legislative Day No. 92-¹⁶

Date: May 26, 1992

providing for disbursement of the proceeds of the sale of such bonds and for the levying of charges, assessments and all taxes necessary to provide payment of the principal of and interest on such bonds; providing that certain additional matters may be determined by resolution of the County Council of Harford County, Maryland or may be reserved unto the County Executive as prescribed by such resolution; providing the method of fixing the interest rates to be borne by such bonds and generally providing for and determining various matters in connection therewith; and generally relating to funding of certain capital projects.

By the Council, May 26, 1992

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on _____, and concluded on _____.

_____, Secretary

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

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1 WHEREAS, in accordance with the provisions of Section 406 of the
2 Charter of Harford County, the Director of Planning has heretofore transmitted
3 to the County Executive the recommendations of the Planning and Advisory
4 Board for certain Capital Improvements; and

5 WHEREAS, in accordance with the provisions of Section 505 of the
6 Charter of Harford County, the County Executive has reviewed such
7 recommendations in light of the existing capital programs and the County
8 Executive and the Director of Administration have included such
9 recommendations for capital improvements, as amended, in proposed Capital
10 Programs which have been submitted to the County Council of Harford County,
11 Maryland and the County Council of Harford County, Maryland has adopted
12 Capital Programs and Capital Budgets for the year ending June 30, 1993,
13 pursuant to Bill No. 92-37, as amended; and

14 WHEREAS, upon request of the County Executive and Resolution of the
15 County Council of Harford County, Maryland, Harford County may sell bond
16 anticipation notes in an amount not greater than the amount of bonds
17 authorized herein, in anticipation of the subsequent sale of the bonds, for all or
18 a portion of the cost of the projects described herein in accordance with the
19 provisions of Article 31, Section 12 of the Annotated Code of Maryland (1990
20 Replacement Volume, 1991 Supplement); and

21 WHEREAS, as a part of the said Capital Programs and the said Capital
22 Budgets, it is necessary that Harford County, Maryland, borrow a sum not
23 exceeding Thirty-Five Million One Hundred Twenty-Five Thousand Dollars

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1 (\$35,125,000) to be used to finance the cost of the acquisition, construction,
2 reconstruction, improvement, extension, site acquisition, architectural and
3 engineering services, and furnishings and equipment for the Projects, including
4 financial, legal and planning expenses related thereto; and

5 WHEREAS, the County Council of Harford County, Maryland has
6 authority to incur debts on behalf of the County; and

7 WHEREAS, the County Council of Harford County, Maryland is hereby
8 authorized to enact an Ordinance adopted in accordance with Section 524 of
9 the Charter of Harford County and other applicable provisions of law providing
10 for the issuance and sale and for the designation, form, tenor, denomination,
11 maturities, and the interest rates payable on any bonds or other form of
12 indebtedness issued under this Ordinance; and to levy annually *ad valorem*
13 taxes upon the assessable property within the County sufficient, together with
14 other taxes and other available funds, to provide for the payment of the interest
15 on and principal of any bonds so issued; and

16 WHEREAS, the proposed bond issue or other form of indebtedness is
17 within the legal limitation on the indebtedness of Harford County, Maryland;
18 and

19 WHEREAS, it is necessary to provide funds for the construction,
20 reconstruction, improvement, extension, acquisition, alteration, repair and
21 modernization, the cost of acquiring any sites, making site improvements,
22 architectural and engineering services, including preparation of plans, drawings
23 and specifications, the development of the grounds and landscaping thereof,

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1 financial, legal and planning expenses and all customary appurtenances and
2 equipment for the Projects; and

3 WHEREAS, after written recommendations of the County Executive,
4 public hearing and affirmative vote of at least four (4) members of the County
5 Council of Harford County, Maryland, the capital budgets authorizing the
6 Projects have been amended and adopted; and

7 WHEREAS, the financing or indebtedness herein authorized, including the
8 aggregate principal amount of bonds or other indebtedness in an amount not
9 to exceed Thirty-Five Million One Hundred Twenty-Five Thousand Dollars
10 (\$35,125,000), maturity schedule, interest rate(s), redemption provisions, form
11 of bond, and date of sale shall be evidenced and incurred pursuant to a
12 resolution or resolutions ("Resolution") to be adopted by the County Council of
13 Harford County, Maryland upon written recommendation of the County
14 Executive, pursuant to this Ordinance.

15 NOW, THEREFORE, IN ACCORDANCE WITH THE PROVISIONS OF THE
16 CHARTER, THE CODE AND THE LAWS OF THE STATE OF MARYLAND:

17 SECTION 1. Be it enacted by the County Council of Harford County,
18 Maryland that, acting pursuant to the authority of the Charter, the Code and
19 the laws of the State of Maryland, the County hereby authorizes and approves
20 the incurring of debt or the payment of purchase price or rental installments for
21 the purpose of financing a portion of the capital cost of capital equipment,
22 improvements, extensions, modifications, alterations, or any combination
23 thereof to the property of the County, including water and sewerage systems

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in the County, together with the acquisition of all necessary property rights and equipment, and all related architectural, financial, legal, planning, design and engineering expenses associated with such capital equipment, improvements, extensions, modifications or alterations including

<u>Sewerage System Capital Projects</u>	<u>Amount to be Borrowed</u>
Bush Creek Pump Station	\$ 70,000
Winters Run Parallel	1,000,000
Unanticipated Construction	97,000
Winters Run Pump Station	2,522,000
Bynum Run Parallel	900,000
Sewer Petitions	200,000
Route 1 - Fallston Commercial Corridor	7,279,000
Sewer Petition	
Plum Tree Pump Station	300,000
Joppatowne Standby Electric	250,000

<u>Water System Capital Projects</u>	
Big Inch Water Treatment Plant	\$19,365,000
Joppa Storage Tanks	1,800,000
First Zone Improvements	424,000
Route 7, Loop Section 3 Water Line	500,000
Wakefield Transmission	168,000
Water Petitions	200,000
Woodsdale Booster Station	50,000

(collectively, the "Projects"). The principal amount of indebtedness to be incurred hereunder shall not exceed Thirty-Five Million One Hundred Twenty-Five Thousand Dollars (\$35,125,000).

SECTION 2. And be it further enacted by the County Council of Harford County, Maryland that prior to the issuance, sale and delivery of any bonds, bond anticipation notes, notes, evidences of indebtedness, line of credit, financing lease or installment purchase obligation in reliance on this Ordinance,

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1 the County Council of Harford County, Maryland shall (without limitation)
2 determine administratively in the Resolution:

3 (a) the form of instruments or agreements by which the debt or
4 financing authorized herein shall be evidenced (including, but not limited to,
5 bonds, bond anticipation notes, notes, community participation bonds, letters
6 of credit, trust agreements, trust indentures, financing or installment purchase
7 lease or similar financing agreement, or participation in any "bond bank" or
8 bond pooling arrangement administered by the State of Maryland or a
9 subsidiary entity of it);

10 (b) the manner, if any, by which any indebtedness or financing
11 shall be secured (including, but not limited to, a pledge of the revenues from
12 the County's water and sewer system or any other appropriate revenue stream,
13 a letter or letters of credit, bond or other such insurance and a pledge of the full
14 faith and credit and unlimited taxing power of the County);

15 (c) the principal amounts, rate or rates of interest or method of
16 determining such rate or rates, date, denominations, maturity payment
17 provisions and prepayment, tender and/or redemption provisions (if any) and
18 other terms and conditions thereof;

19 (d) the substantially final form and contents and consent to the
20 distribution (and shall authorize the execution and delivery, where applicable)
21 of various agreements and documents as are necessary to implement the
22 financing authorized herein, including, but not limited to, a Preliminary Official
23 Statement and/or an Official Statement, and in the event any evidence of

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1 indebtedness is sold through competitive bidding, a Notice of Sale, and in the
2 event any evidence of indebtedness is sold by private (negotiated) sale, a
3 Purchase Contract with the Underwriter(s) thereof, and if any indebtedness is
4 issued in book entry form, securities depository agreements, (collectively the
5 "Documents"), required for the issuance, sale and delivery of any evidence of
6 indebtedness or the completion of the financing authorized herein, which
7 Documents shall contain such provisions as may be required by law or to
8 consummate the financing authorized herein;

9 (e) the manner in which any evidence of indebtedness, lease
10 financing or installment purchase obligation shall be executed, sealed and
11 attested (which may be by facsimile signature and/or seal);

12 (f) provision for the payment of all necessary expenses of
13 preparing, printing and selling any evidence of indebtedness and the Documents
14 including, without limitation, any and all costs, fees and expenses incurred by
15 or on behalf of the County in connection with the authorization, issuance, sale
16 and delivery of any bonds or notes, and all costs incurred in connection with
17 the development of the Documents, including the fees of counsel to the
18 County, and compensation to any persons (other than full-time employees of
19 the County) or entities performing services for or on behalf of the County in
20 connection therewith and in connection with all other transactions
21 contemplated by this Ordinance regardless of whether the proposed financing
22 is consummated:

23 (g) whether the financing is to be accomplished by public sale,

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1 private (negotiated) sale or by private placement; and

2 (h) such other matters in connection with the consummation of
3 the financing transactions contemplated by this Ordinance as may be deemed
4 appropriate by the County Council of Harford County, Maryland, including
5 (without limitation) the appointment of agents (including, but not limited to,
6 trustees, paying agents, indexing agents and/or registrars) in connection with
7 the financing, the execution, acknowledgment, sealing and delivery of such
8 other and further agreements, documents and instruments, and the
9 authorization of the officials of the County to take any and all actions, as are
10 or may be necessary or appropriate to consummate the transactions
11 contemplated by this Ordinance in accordance with the terms hereof and of the
12 Resolution.

13 The Resolution shall be deemed to be of an administrative nature and
14 shall be effective upon the date specified in the Resolution.

15 SECTION 3. And be it further enacted by the County Council of Harford
16 County, Maryland that authority is hereby conferred respectively on the County
17 Executive of the County, the Director of Administration, the Treasurer, the
18 County Attorney and the Secretary of the County Council of Harford County,
19 Maryland, or any of them, and they are hereby directed to take the following
20 actions on behalf of the County:

21 (a) to execute, acknowledge, seal and deliver the Documents
22 substantially in the forms determined administratively by the County Council of
23 Harford County, Maryland in the Resolution; and

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1 (b) to execute, acknowledge, seal and deliver such other and
2 further certificates, certifications, agreements, documents and instruments and
3 take such other acts as they or any one or more of them may deem necessary
4 or appropriate to consummate the transactions contemplated by this Ordinance
5 in accordance with the provisions hereof and of the Resolution.

6 SECTION 4. And be it further enacted by the County Council of Harford
7 County, Maryland that the Treasurer, or his authorized deputy, is hereby
8 authorized and empowered to prepare and distribute copies of the Documents
9 to any person who may, in his judgment, be interested in participating in the
10 financing of the Projects or who may request the same or information with
11 respect thereto; provided, however, that any preliminary official statement and
12 related material shall be clearly marked to indicate that they are subject to
13 completion and amendment.

14 SECTION 5. And be it further enacted by the County Council of Harford
15 County, Maryland that the County intends to provide funds for payment of
16 principal of, premium (if any) and interest on the bonds, or other indebtedness,
17 from certain funds related to operation of the water and sewerage systems of
18 the County. These funds include area connection charges, special
19 assessments, user surcharges, certain depreciation reserves relating to
20 depreciation of the water and sewerage systems, a portion of the recordation
21 tax levied by the County with respect to recordation of interests in real property
22 located within the County, and earnings on the above-described funds.

23 To the extent any of the above-described funds is specifically designated

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1 for payment of debt service on bonds, or other indebtedness, issued to acquire
2 or construct improvements to the water and sewerage systems of the County,
3 by the legislation establishing the tax, assessment, surcharge or other source
4 of revenue so designated, and so long as such tax, assessment, surcharge or
5 other revenue source remains so designated and levied by the County, the
6 County hereby covenants to apply all such designated revenues to payments
7 of debt service on bonds or other indebtedness issued to acquire or construct
8 improvements to the water and sewerage systems of the County, including the
9 bonds or other indebtedness.

10 In the event that the funds described in this Section 5 (whether or not
11 designated for water and sewerage system bond debt service) fail to provide
12 sufficient funds at any time while any of the bonds or other indebtedness are
13 outstanding for the purpose of paying principal of, premium (if any) and interest
14 on the bonds or other indebtedness, when due and payable, the County hereby
15 covenants and agrees, with each of the holders, from time to time, of any of
16 the bonds or other indebtedness, that it shall promptly cause to be levied
17 against all assessable property within the County annually, so long as any of
18 the bonds or other indebtedness are outstanding and not paid, an *ad valorem*
19 tax sufficient in rate and amount to provide for payment of such principal of,
20 premium (if any) and interest on the bonds or other indebtedness when due.
21 Such tax shall be levied in accordance with the Charter. The County, by the
22 passage of this Ordinance, hereby covenants and agrees properly and promptly
23 to perform all of the respective acts and duties defined in the Charter for the

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1 levy and collection of the aforesaid *ad valorem* tax upon all the assessable
2 property within the corporate limits of the County, as the levy and collection
3 of such a tax becomes necessary in order to provide for the payment of
4 principal of, premium (if any) and interest on the bonds or other indebtedness.

5 SECTION 6. And be it further enacted by the County Council of Harford
6 County, Maryland that if the County Council of Harford County, Maryland
7 determines in the Resolution that it is in the best interests of the County to sell
8 any evidence of indebtedness or lease financing or installment purchase
9 obligation by private (negotiated) sale, the County Council of Harford County,
10 Maryland hereby authorizes (a) the appointment of an underwriter (the
11 "Underwriter") in connection with the sale thereof, and (b) the payment by the
12 County to the Underwriter out of the proceeds of the sale thereof or otherwise
13 for services rendered in connection therewith, ~~in an amount not to exceed a~~
14 ~~percentage of the principal amount of such financing, such percentage~~ such
15 compensation to be determined in the Resolution.

16 SECTION 7. And be it further enacted by the County Council of Harford
17 County, Maryland that the County Executive is hereby authorized and
18 empowered for and on behalf of the County (a) to cause the preparation,
19 printing, execution and delivery of the Documents, each substantially in the
20 form presented to the County Council of Harford County, Maryland, with such
21 modifications, supplements or amendments thereto as may be recommended
22 by counsel; and (b) to do all such things as may be necessary or desirable in
23 the opinion of the County Executive in connection therewith.

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1 SECTION 8. And be it further enacted by the County Council of Harford
2 County, Maryland that nothing herein contained shall authorize the expenditure
3 of County funds until such time as such expenditure shall have been
4 appropriated by the County Council of Harford County, Maryland, and this
5 Ordinance shall not be construed as authorizing or approving any project not
6 otherwise authorized or approved by all appropriate legal authorization.

7 SECTION 9. And be it further enacted by the County Council of Harford
8 County, Maryland that unless changed by the Resolution, if the indebtedness
9 herein authorized is represented by bonds: (a) the Bonds shall be issued
10 pursuant to the authority of this Ordinance and shall be dated October 1, 1992;
11 (b) the bonds shall be issued in the denominations of Five Thousand Dollars
12 (\$5,000) or any integral multiple thereof, and shall be numbered from one (1)
13 consecutively upward in the order of their maturities. The bonds shall mature
14 over a period not to exceed twenty (20) years from their date in twenty (20)
15 annual serial installments beginning in the year 1993 and ending in the year
16 2012. The bonds shall mature on October 1 in each of said years as follows:
17 One Million One Hundred Ninety-Five Thousand Dollars (\$1,195,000) in the
18 year 1993; One Million Two Hundred Thousand Dollars (\$1,200,000) in each
19 of the years 1994 to 1996, inclusive; One Million Four Hundred Fifteen
20 Thousand Dollars (\$1,415,000) in the year 1997; One Million Five Hundred
21 Fifteen Thousand Dollars (\$1,515,000) in the year 1998; One Million Six
22 Hundred Thousand Dollars (\$1,600,000) in each of the years 1999 to 2001,
23 inclusive; Two Million Fifty Thousand Dollars (\$2,050,000) in each of the years

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1 2002 to 2007, inclusive; and Two Million Sixty Thousand Dollars (\$2,060,000)
2 in each of the years 2008 to 2012, inclusive. The term and maturity schedule
3 of the bonds or other indebtedness may be changed, increased or decreased
4 upon written recommendation of the County Executive and resolution of the
5 County Council of Harford County, Maryland.

6 SECTION 10. Be it further enacted by the County Council of Harford
7 County, Maryland that if the indebtedness herein authorized is represented by
8 bonds, the bonds shall bear interest at the rate or rates named by the
9 successful bidder for the bonds in accordance with the Notice of Sale
10 hereinafter set forth, as may hereafter be amended, upon written
11 recommendation of the County Executive, by administrative resolution of the
12 County Council of Harford County, Maryland, and said interest shall be payable
13 semiannually on the first days of April and October in each of the years that the
14 bonds are outstanding. Interest on the bonds will be payable by check or draft
15 of the Paying Agent mailed to the registered owners thereof. The bonds, when
16 issued, shall be executed in the name of Harford County, Maryland, by the
17 facsimile signature of the County Executive of Harford County, Maryland, and
18 a facsimile of the corporate seal of the County shall be imprinted on each of the
19 bonds attested by the facsimile signature of the Director of Administration of
20 Harford County and the manual signature of an authorized officer of the Bond
21 Registrar. The facsimiles of said signature and said seal shall be engraved,
22 printed or lithographed on each of the bonds in accordance with, and pursuant
23 to the authority of Sections 2-301 through 2-306 inclusive of the State Finance

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1 and Procurement Article of the Annotated Code of Maryland (1988 Volume and
2 1991 Cumulative Supplement). If the indebtedness is represented by bonds,
3 the bonds shall be subject to registration as to principal and interest, in the
4 name or names of the owner or owners thereof on books kept for that purpose
5 at the principal office of the Bond Registrar and the principal of the bonds shall
6 be payable upon presentation and surrender thereof at the principal office of the
7 Paying Agent. The Bond Registrar and Bond Paying Agent shall be determined
8 upon written recommendation of the County Executive approved by resolution
9 of the County Council of Harford County, Maryland. Payment of interest on the
10 Bonds shall be made by the Paying Agent on each payment date, to each
11 person appearing on the registration books of the County, maintained by the
12 Bond Registrar, as the registered owner thereof, by check or draft mailed to
13 each such registered owner at his or her address as it appears on such
14 registration books. There shall be printed on each bond the text of the
15 approving legal opinion of bond counsel with respect to the bonds. Except as
16 provided hereinafter or in resolutions of the County Council of Harford County,
17 Maryland adopted upon written recommendation of the County Executive prior
18 to the issuance of the bonds, the bonds shall be in substantially the following
19 form, which form, together with all covenants and conditions therein contained,
20 is hereby adopted by the County Council of Harford County, Maryland as and
21 for the form of obligation to be incurred by Harford County, and said covenants
22 and conditions, including the promise to pay therein contained, are hereby
23 made binding upon Harford County, Maryland, in accordance with the

1 endorsement on said bonds:

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1 money of the United States of America, at the time of payment, at the principal
2 office of _____, Baltimore, Maryland ("Paying Agent").

3 This bond shall be registered in the name of the owner on the registration
4 books kept for that purpose at the principal office of _____,
5 Baltimore, Maryland ("Bond Registrar"), and such registration shall be noted on
6 the back of this bond, after which no transfer hereof shall be valid unless made
7 on the said registration books by the registered owner hereof in person or by
8 his duly authorized attorney, and similarly noted on this bond. The County,
9 Bond Registrar and Paying Agent may deem and treat the person in whose
10 name the bond is registered as the absolute owner hereof for all purposes. This
11 bond, upon surrender hereof at the principal office of the Bond Registrar with
12 a written instrument of transfer satisfactory to the Bond Registrar, duly
13 executed by the registered owner hereof, or his (her) duly authorized attorney,
14 may, at the option of the registered owner hereof, be exchanged for an equal
15 aggregate principal amount of Bonds of authorized denominations and of the
16 same form and tenor as this bond. For every such exchange or transfer of
17 Bonds, the County or the Bond Registrar shall make a charge for any tax or
18 other governmental charge required to be paid with respect to such exchange
19 or transfer. Such charge shall be paid by the registered owner requesting such
20 exchange or transfer as a condition precedent to the exercise of such privilege.
21 The Bond Registrar shall not be obligated to make any such exchange or
22 transfer of Bonds during the fifteen (15) days next preceding an interest
23 payment date on the Bonds, or in case of any proposed redemption of Bonds,

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1 during the fifteen (15) days next preceding the date of the publication of notice
2 of such redemption. The Bond Registrar shall not be required to make any
3 transfer or exchange of any Bonds called for redemption.

4 This bond is one of a duly authorized issue or series of bonds aggregating
5 Thirty-Five Million, One Hundred Seventy Thousand Dollars (\$35,125,000) in
6 principal amount, which are of the denomination of Five Thousand Dollars
7 (\$5,000) or integral multiples thereof. These bonds mature serially in
8 installments on the first day of October in each of the years 1993 to 2012,
9 inclusive, as follows: One Million One Hundred Ninety-Five Thousand Dollars
10 (\$1,195,000) in the year 1993; One Million Two Hundred Thousand Dollars
11 (\$1,200,000) in each of the years 1994 to 1996, inclusive; One Million Four
12 Hundred Fifteen Thousand Dollars (\$1,415,000) in the year 1997; One Million
13 Five Hundred Fifteen Thousand Dollars (\$1,515,000) in the year 1998; One
14 Million Six Hundred Thousand Dollars (\$1,600,000) in each of the years 1999
15 to 2001, inclusive; Two Million Fifty Thousand Dollars (\$2,050,000) in each
16 of the years 2002 to 2007, inclusive; and Two Million Sixty Thousand Dollars
17 (\$2,060,000) in each of the years 2008 to 2012, inclusive. These bonds are
18 numbered from one (1) consecutively upwards in the order of their maturities,
19 are of like tenor except as to maturity, number and interest rate, are issued
20 pursuant to and in full conformity with the provisions of the Charter of Harford
21 County, as amended, and by virtue of due proceedings had and taken by the
22 County Council of Harford County, Maryland particularly an Ordinance enacted
23 on _____, 1992, entitled Bill No. 92- and a Resolution

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1 adopted on _____.

2 The full faith and credit and unlimited taxing power of Harford County,
3 Maryland, is pledged to the punctual payment of the principal of and interest
4 on this bond according to its terms, and said County covenants and agrees
5 punctually to pay the principal of this bond and the interest thereon, at the
6 dates and in the manner mentioned herein.

7 The bonds of the issue which mature on or before October 1, ____, are
8 not subject to redemption prior to their maturities. The bonds which mature on
9 or after October 1, ____, shall be subject to redemption as a whole at any time
10 or in part on any interest payment date, and ~~if in part, in the inverse order of~~
11 ~~maturities~~ in any order of maturity, at the option of the County on October 1,
12 ____, or on any ~~interest payment~~ redemption date thereafter upon notice of call
13 for redemption given by publication at least thirty (30) days prior to the date of
14 redemption in a newspaper published and circulating in Harford County and in
15 the City of Baltimore, Maryland, and also in a financial newspaper published
16 and circulating in the City of New York, New York, at a redemption price,
17 expressed as a percentage of the principal amount of the bonds to be
18 redeemed, set forth in the table below, together with interest accrued to the
19 date fixed for redemption.

20 <u>Date of Redemption</u>	<u>Optional Redemption Price</u>
------------------------------	----------------------------------

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23

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1 If less than all of the bonds of any one maturity shall be called for redemption,
2 the particular bonds to be redeemed shall be selected by lot by _____
3 _____, _____, _____, Paying Agent.

4 No covenant or agreement contained in this bond shall be deemed to be
5 a covenant or agreement of any officer, agent or employee of the County in his
6 or her individual capacity and neither the members of the County Council of
7 Harford County, Maryland nor any official executing this bond shall be liable
8 personally on this bond or be subject to any personal liability or accountability
9 by reason of the issuance of this bond.

10 It is hereby certified and recited that each and every act, condition and
11 thing required to exist, to be done, to have happened and to be performed
12 precedent to and in the issuance of this bond, does exist, has been done, has
13 happened and has been performed in full and strict compliance with the
14 Constitution and laws of the State of Maryland, the Charter and Code of
15 Harford County and the Ordinance and Resolution above referred to, and that
16 the issue of bonds of which this is one, together with all other indebtedness of
17 Harford County, Maryland, is within every debt and other limit prescribed by
18 the Constitution and laws of said State and the Charter and Code of Harford
19 County, and that due provision has been made for the levy and collection, if
20 and when necessary, of an annual *ad valorem* tax or taxes upon all the legally
21 assessable property within the corporate limits of Harford County, Maryland,
22 as prescribed by law, in rate and amount sufficient to provide for the payment,
23 when due, of the interest on and the principal of this bond.

1 IN WITNESS WHEREOF Harford County, Maryland, has caused this bond
2 to be executed in its name by the facsimile signature of the County Executive,
3 which signature has been imprinted thereon, and has also caused a facsimile
4 of its corporate seal to be imprinted hereon, attested by the facsimile signature
5 of the Director of Administration, and the manual signature of an authorized
6 officer of the Bond Registrar, all as of the _____ day of _____, 1992.

8	Attest:	HARFORD COUNTY, MARYLAND
9	_____	BY: _____
10	Director of Administration	County Executive

3 This bond is one of the registered bonds of Harford County, Maryland
4 Water and Sewer Bonds of 1992.

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(Form of Registration)

(No writing hereon except by an officer of _____,
Baltimore, Maryland, Bond Registrar.)

<u>Date of Registry</u>	<u>Name of Registered Holder</u>	<u>Registered By</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and
transfers unto

(please insert name and address of the assignee)

(Tax Identification or Social Security No. _____)

the within bond, and hereby irrevocably constitutes and appoints

attorney to transfer the within bond on the books kept for registration thereof,
with full power of substitution in the premises.

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2 Signature guaranteed:

4

6

8 NOTICE: Signature must be
9 guaranteed by a member firm of the
0 New York Stock Exchange or a
1 commercial bank or trust company

8 NOTICE: Signature must be
9 guaranteed by a member firm of the
0 New York Stock Exchange or a
1 commercial bank or trust company

3

4

5

2

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within bond in every particular, without alteration or enlargement or any change whatever.

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1 SECTION 11. Be it further enacted by the County Council of Harford
2 County, Maryland that if the indebtedness herein authorized is represented by
3 bonds, the bonds shall be sold by bids on sealed proposals to the bidder
4 therefor for cash whose bid is deemed to be for the best interest of Harford
5 County, Maryland, after giving at least ten (10) days' public notice by
6 advertisement inserted twice in one or more daily or weekly newspapers having
7 a general circulation in Harford County, Maryland, said sale to be held not
8 sooner than ten (10) days following the first insertion of said advertisement.
9 Said advertisement shall also be published in "The Bond Buyer", a financial
10 journal published in the City of New York. The Award of the Bonds, if made,
11 shall be approved by resolution of the County Council of Harford County,
12 Maryland after written recommendation of the County Executive, to the bidder
13 offering the lowest interest cost determined in accordance with the true interest
14 cost method (TIC), ~~such interest cost to be determined by computing the total~~
15 ~~interest to maturity on all bonds sold and deducting therefrom the premium bid,~~
16 ~~if any.~~ The sale of the bonds, unless changed by the Resolution, shall be held
17 on September 16, 1992, at the office of the Treasurer of Harford County,
18 Maryland, located at 220 South Main Street, Bel Air, Maryland, at 11:00
19 o'clock A.M., E.S.T. or E.D.T. (whichever time may then be in effect), or on
20 such other date and at such other time and location as may be provided by
21 resolution of the County Council of Harford County, Maryland.

22 SECTION 12. Be it further enacted by the County Council of Harford
23 County, Maryland that the official Notice of Sale shall be in substantially the

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1 form hereinafter set forth and the terms, provisions and conditions set forth in
2 said form of Notice of Sale are hereby adopted and approved as the terms,
3 provisions and conditions under which and the manner in which the bonds shall
4 be sold, issued and delivered at public sale. In addition, there is hereinafter set
5 forth a form of Proposal to be used by all persons submitting proposals for the
6 purchase of the bonds. The official Notice of Sale, upon resolution of the
7 County Council of Harford County, Maryland, may be consolidated with the
8 Official Notice of Sale for other bonds to be sold by the County at the same
9 time. The official Notice of Sale and Proposal for the bonds shall be in
10 substantially the following form (unless changed by resolution of the County
11 Council of Harford County, Maryland adopted prior to the sale of the bonds):

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\$35,125,000

HARFORD COUNTY, MARYLAND

HARFORD COUNTY WATER AND SEWER BONDS OF 1992

SEALED BIDS will be received by the Treasurer of Harford County, Maryland at 220 South Main Street, Bel Air, Maryland, until 11:00 o'clock A.M., E.S.T. or E.D.T. (whichever shall then be in effect) on September 16, 1992 for the purchase of Thirty-Five Million One Hundred Twenty-Five Thousand Dollars (\$35,125,000) Harford County, Maryland Water and Sewer Bonds of 1992 (the "Bonds") all being dated October 1, 1992, and bearing interest payable semi-annually on the first days of April and October until maturity. These bonds are issued under the provisions of an Ordinance adopted by proceedings of the County Council of Harford County, Maryland on _____, 1992. These bonds mature on October 1 in each of the years 1993 to 2012 as follows: One Million One Hundred Ninety-Five Thousand Dollars (\$1,195,000) in the year 1993; One Million Two Hundred Thousand Dollars (\$1,200,000) in each of the years 1994 to 1996, inclusive; One Million Four Hundred Fifteen Thousand Dollars (\$1,415,000) in the year 1997; One Million Five Hundred Fifteen Thousand Dollars (\$1,515,000) in the year 1998; One Million Six Hundred Thousand Dollars (\$1,600,000) in each of the years 1999 to 2001, inclusive; Two Million Fifty Thousand Dollars (\$2,050,000) in each of the years 2002 to 2007, inclusive; and Two Million Sixty Thousand Dollars (\$2,060,000) in each of the years 2008 to 2012, inclusive.

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1 The proceeds of the sale of these bonds will be used to finance the cost
2 of construction, reconstruction, improvement, extension, acquisition, alteration,
3 repair, the cost of acquiring sites, making site improvements, architectural and
4 engineering services, including preparation of plans, drawings and
5 specifications, and the development of the grounds and landscaping and all
6 customary appurtenances and equipment for the renovation and expansion of
7 certain Water and Sewer Capital Projects described in the Ordinance and as
8 more particularly set forth in the Annual Budget and Appropriation Ordinances
9 of Harford County, Maryland, as amended, for the year ending June 30, 1993.

10
11 The principal of these Bonds will be payable in lawful money of the
12 United States of America at the time of payment, upon presentation and
13 surrender thereof, at the principal office of _____
14 _____, Baltimore, Maryland ("Bond Registrar" and "Paying Agent"). Payment
15 of interest on the Bonds shall be made by the Paying Agent on each payment
16 date, to each person appearing on the registration books of the County,
17 maintained by the Bond Registrar, as the registered owner thereof, by check or
18 draft mailed to each such registered owner at his or her address as it appears
19 on such registration books.

20 The bonds will be issued in the denomination of Five Thousand Dollars
21 (\$5,000) or integral multiples thereof. The bonds will be subject to registration
22 on books kept for that purpose at the principal office of the Bond Registrar.

23 The bonds which mature on or before _____, are not subject to

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redemption prior to their maturities. The bonds which mature on and after _____, shall be subject to redemption as a whole at any time or in part on any interest payment date, and ~~if in part, in the inverse order of maturities in any order of maturity~~, at the option of the County on _____, or on any ~~interest payment~~ redemption date thereafter upon notice of call for redemption given by publication at least thirty (30) days prior to the date of redemption in a newspaper published and circulating in Harford County and in the City of Baltimore, Maryland, and also in a financial newspaper published and circulating in the City of New York, New York, at a redemption price, expressed as a percentage of the principal amount of the bonds to be redeemed, set forth in the table below, together with interest accrued to the date fixed for redemption:

Date of Redemption

Optional Redemption Price

If less than all of the bonds of any one maturity shall be called for redemption, the particular bonds to be redeemed shall be selected by lot by the Paying Agent.

Each bid must be submitted on the prescribed form accompanying the Preliminary Official Statement and must be enclosed in a sealed envelope addressed to "Treasurer, Harford County Maryland, Bel Air, Maryland", and

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1 marked on the outside "Proposal for Water and Sewer Bonds of 1992", such
2 bid to be accompanied by a certified check upon, or a cashier's or treasurer's
3 check of, a responsible banking institution, payable to "Harford County,
4 Maryland" for Seven Hundred Two Thousand Five Hundred Dollars (\$702,500).
5 The check of the successful bidder will be collected and the proceeds thereof
6 retained by the County to be applied in part payment for the bonds, and no
7 interest will be allowed upon the amount thereof; but, in the event the
8 successful bidder shall fail to comply with the terms of such bid, the proceeds
9 of such check will be retained as and for full liquidated damages. The checks
10 of the unsuccessful bidders will be returned promptly.

11 Harford County will not consider and will reject any bid for the purchase
12 of less than all of the above described bonds. The right is reserved to reject
13 any and all bids and to waive any informality or irregularity in any proposal or
14 bid. Acceptance of the successful bid is subject to approval, by resolution, of
15 the County Council of Harford County, Maryland.

16 It is expected that CUSIP identification numbers will be printed on the
17 bonds, but neither the failure to print any such number on any bond nor any
18 error with respect thereto shall constitute cause for a failure or refusal by a
19 successful bidder to accept delivery of and pay for the Bonds in accordance
20 with the terms of this Notice of Sale.

21 Bidders must bid at least par for the bonds and accrued interest to the
22 date of delivery of the bonds, and must specify the rate or rates of interest to
23 be paid thereon, in multiples of one-eighth (1/8th) or one-twentieth (1/20th) of

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1 one percent (1%) per annum. Bidders may specify more than one rate of
2 interest to be borne by the bonds, but may not specify more than one interest
3 rate for the bonds of each maturity. A zero rate cannot be named for any
4 maturity. The interest payable on any bond on any interest payment date shall
5 be represented by a single interest rate. The differences between the highest
6 and lowest interest rates shall not exceed two percent (2%).

7 Bids will be opened promptly after 11:00 A.M., E.S.T. or E.D.T.
8 (whichever time shall then be in effect) on September 16, 1992, or such other
9 date and at such other time as may be provided in a resolution of the County
10 Council of Harford County, Maryland. The award, if made, will be made
11 promptly after the bids are opened to the bidder offering the lowest true
12 interest cost to Harford County, Maryland, within the guidelines of this Notice
13 of Sale, such lowest interest cost to be determined in accordance with the true
14 interest cost (TIC) method by doubling the semi-annual interest rate
15 (compounded semi-annually) necessary to discount the debt service payments
16 from the payment date to the date of the Bonds and to the price bid, excluding
17 interest accrued to the date of delivery. If two or more responsible bidders
18 have made proposals, each of which represents the lowest true interest cost
19 to the County (computed in accordance with the terms of this Notice of Sale),
20 then the bonds may be awarded, with their consent, in a ratable portion among
21 such bidders, or the County may, in its sole discretion, determine to which of
22 such bidders the bonds will be awarded.

23 The Bonds will be delivered to the successful bidder or bidders as soon

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1 as practicable, upon due notice and at the expense of the County, at such
2 location in New York, New York or Baltimore, Maryland, as the successful
3 bidder may designate, upon payment of the successful bid (including any
4 premium) plus accrued interest to the date of delivery; less the deposit
5 theretofore made. Such payment shall be made in federal funds or other
6 immediately available funds. The successful bidder shall advise the Bond
7 Registrar of the names of the initial registered owners of the bonds and the
8 denominations of the initial bonds not later than seven (7) business days before
9 the expected date and time of delivery of the bonds.

10 The successful bidder must, prior to the delivery of the Bonds, certify to
11 the County the amount of the initial offering price to the public (excluding bond
12 houses and brokers) at which a substantial portion (at least 10%) of the bonds
13 of each maturity have or will be sold.

14 The Bonds, and payment of the principal and interest thereon, will be the
15 unconditional general obligation of the County and will constitute an irrevocable
16 pledge of the full faith and credit and unlimited taxing power of Harford County.

17 The issuance of these Bonds will be subject to legal approval of Miles
18 & Stockbridge of Baltimore, Maryland, and a copy of their opinion will be
19 delivered upon request, without charge, to the successful bidder for the bonds.
20 The text of such approving legal opinion will be printed on each bond. There
21 will also be furnished the usual closing papers, including a certificate stating
22 that there is no litigation pending affecting the validity of the bonds.

23 It shall be a condition to the obligation of the successful bidder to accept

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1 delivery of and pay for the Bonds that, simultaneously with or before delivery
2 and payment for the Bonds, such bidder shall be furnished a certificate or
3 certificates of the County Executive, Treasurer and Director of Administration
4 to the effect that, to the best of their knowledge and belief, the Official
5 Statement (and any amendment or supplement thereto) as of the date of sale
6 and as of the date of delivery of the Bonds does not contain any untrue
7 statement of a material fact and does not omit to state a material fact
8 necessary to make the statements therein, in the light of the circumstances
9 under which they were made, not misleading and that between the date of sale
10 and the date of delivery of the Bonds of such issue there has been no material
11 adverse change in the financial position or revenues of the County except as
12 reflected or contemplated in the Official Statement (and any amendment or
13 supplement thereto).

14 The Preliminary Official Statement of the County concerning the Bonds
15 (the "Preliminary Official Statement") is in a form "deemed final" by the County
16 for purposes of SEC Rule 15c2-12(b)(1) (the "Rule") but is subject to revision,
17 amendment and completion in the final Official Statement.

18 As soon as practicable after the award of the Bonds to the successful
19 bidder therefor on the day of sale, the County will approve the final Official
20 Statement for the Bonds. By submitting its bid for the Bonds, each bidder
21 agrees that, if it is the successful bidder, it will provide the County with pricing
22 information and such other information as the County may require in order that
23 the County may provide the successful bidder with a final Official Statement

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1 in compliance with the Rule. Whether or not any such information is included
2 in the Official Statement (and any amendment or supplement thereto), such
3 successful bidder shall be responsible to the County and its officials in all
4 respects for the accuracy, fairness and completeness of such information, and
5 for all decisions made with respect to the use or omission of such information
6 in any re-offering of the bonds, including the presentation or exclusion of any
7 such information in any documents, including the Official Statement. Within
8 seven (7) business days after the award of the Bonds, the successful bidder
9 will also be furnished, without cost, with up to ~~300~~ 100 copies of the Official
10 Statement (and any amendment or supplement thereto), and such successful
11 bidder may obtain additional copies at its own expense.

12 The County will undertake to provide the successful bidder with further
13 additional information to be included in such Official Statement, when in the
14 opinion of the County or of Bond Counsel, such additional information
15 constitutes a material change to such Official Statement. The County will take
16 such steps as are necessary to arrange for amending and supplementing the
17 Official Statement in connection with the disclosure of such additional
18 information; provided, however, that the County shall have no obligation to
19 provide such additional information after the date which is twenty-five (25)
20 days after the "end of the underwriting period", as such term is defined in the
21 Rule.

22 The Preliminary Official Statement, a full financial statement concerning
23 Harford County, the required form of proposal, and other data in reference

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1 thereto as may be desired will be supplied to prospective bidders upon request
2 made to James M. Jewell, Treasurer, 220 South Main Street, Bel Air, Maryland
3 [(410) 879-2000], or from Alex. Brown & Sons, Inc., Public Finance
4 Department, 135 East Baltimore Street, Baltimore, Maryland [(410) 783-3087],
5 Financial Advisor to the County.

6

7

HARFORD COUNTY, MARYLAND

8

By: Eileen M. Rehrmann
County Executive

9

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PROPOSAL FOR WATER AND SEWER BONDS OF 1992

Treasurer, Harford County, Maryland
220 South Main Street
Bel Air, Maryland 21014

Gentlemen:

Subject to the provisions and in accordance with the terms of the annexed Notice of Sale, which is a part of this Proposal, we offer to purchase the obligations of Harford County, Maryland, described in such Notice being Thirty-Five Million One Hundred Twenty-Five Thousand Dollars (\$35,125,000) Harford County Water and Sewer Bonds of 1992, the bonds maturing in the several years shown in the table below and subject to redemption as provided in the Notice of Sale to bear interest at the rates per annum set opposite such years, respectively, in said table, and to pay Thirty-Five Million One Hundred Twenty-Five Thousand Dollars (\$35,125,000) the par value of said obligations plus interest accrued to the date of payment of the purchase price, plus a premium in the amount of _____ Dollars (\$ _____).

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
1993	\$1,195,000	_____ %
1994	\$1,200,000	_____ %
1995	\$1,200,000	_____ %
1996	\$1,200,000	_____ %
1997	\$1,415,000	_____ %
1998	\$1,515,000	_____ %

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1	1999	\$1,600,000	_____ %
2	2000	\$1,600,000	_____ %
3	2001	\$1,600,000	_____ %
4	2002	\$2,050,000	_____ %
5	2003	\$2,050,000	_____ %
6	2004	\$2,050,000	_____ %
7	2005	\$2,050,000	_____ %
8	2006	\$2,050,000	_____ %
9	2007	\$2,050,000	_____ %
10	2008	\$2,060,000	_____ %
11	2009	\$2,060,000	_____ %
12	2010	\$2,060,000	_____ %
13	2011	\$2,060,000	_____ %
14	2012	\$2,060,000	_____ %

15 We enclose herewith a certified cashier's or treasurer's check, payable
16 to the order of "Harford County, Maryland", in the amount of Seven Hundred
17 Two Thousand, Five Hundred Dollars (\$702,500), which check is to be applied
18 in accordance with the annexed Notice of Sale.

19 If we are the successful bidder for the Bonds we agree: (1) to provide
20 full and complete pricing information with respect to the Bonds to Harford
21 County, Maryland (the "County") in a timely manner so that the County may
22 fulfill its obligation relating to the delivery of the Official Statement to the
23 purchaser of the Bonds within seven (7) business days following the award,

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1 including, without limitation, the offering price(s), interest rate(s), selling
2 compensation, delivery dates and other similar information; (2) to comply with
3 the requirements of SEC Rule 15c2-12 and the applicable rules of the Municipal
4 Securities Rulemaking Board in connection with the offer and sale of the Bonds;
5 (3) to furnish to the County before the delivery of the Bonds such information
6 as shall be necessary to enable the County to determine the "issue price" of the
7 Bonds as defined in Sections 148(h), 1273 and 1274 of the Internal Revenue
8 Code of 1986, as amended; (4) within three (3) business days after the final
9 Official Statement becomes available, to cause copies thereof to be filed with
10 one or more "nationally-recognized municipal securities information
11 repositories", as such term is defined in SEC Rule 15c2-12; and (5) to certify
12 at the time of the issuance of the Bonds that the final Official Statement is in
13 form satisfactory to us.

14 _____
15 _____
16 _____
17
18 ~~(The total lowest interest cost of this proposal is _____~~
19 ~~Dollars (\$_____).~~ The effective annual rate of interest is _____
20 percent (~~—~~%). (The aggregate amount of interest from the date of the Bonds
21 to final maturity is _____ Dollars (\$_____). The
22 true interest cost is _____ percent (_____ %). This is requested to
23 expedite and facilitate prompt determination of best bid. It is not a part of the

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1 proposal. The omission or inaccuracy of these figures will not effect the
2 validity of the proposal.) The differences between the highest and lowest
3 interest rates shall not exceed two per cent (2%). A zero rate may not be
4 named for any maturity.

5 SECTION 13. Be it further enacted by the County Council of Harford
6 County, Maryland that upon request of the County Executive, the County
7 Council of Harford County, Maryland may, at any time, prior to the public sale
8 of the bonds, by administrative resolution(s), change the projects to be
9 constructed with the proceeds of sale of the bonds, determine or change the
10 Notice of Sale, date of sale, the date or location of bid opening, the dates of
11 maturity or redemption of the bonds, the amount of the bonds to be sold (but
12 not in excess of Thirty-Five Million One Hundred Twenty-Five Thousand Dollars
13 (\$35,125,000) and the amounts of bonds maturing in each year, the interest
14 payment dates of the bonds, appoint paying agent(s) and/or registrar(s) for the
15 bonds, whether ownership of the bonds or other indebtedness shall be
16 maintained in book entry form, and the terms of sale of the bonds.

17 SECTION 14. Be it further enacted by the County Council of Harford
18 County, Maryland that immediately after the sale of the bonds, and upon
19 written recommendation of the County Executive the interest rate or rates
20 payable thereon shall be fixed by a resolution of the County Council of Harford
21 County, Maryland in accordance with the terms and conditions of the sale of
22 the bonds. The bonds shall thereupon be suitably printed or engraved and duly
23 executed and delivered to the purchaser in accordance with the conditions of

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1 delivery set forth in the foregoing Notice of Sale. The proceeds of the sale of
2 the bonds, including any premium and accrued interest received therefor, shall
3 be paid to the Department of the Treasury of Harford County and shall be
4 deposited in a special account of Harford County, Maryland. Harford County,
5 Maryland may, at its option, deduct from the gross proceeds received from the
6 sale of the bonds the cost of issuing the same, including the cost of
7 advertising, printing and professional fees (including legal) and expenses. There
8 shall be deducted from the total gross proceeds received from the sale of the
9 bonds the amount received on account of accrued interest on the bonds, which
10 amount shall be set apart by the Treasurer of Harford County in a special fund
11 and applied to the first maturing interest payments on the bonds. The balance
12 of the proceeds of the sale of the bonds shall be expended only to finance the
13 Projects as set forth in this Ordinance and as more particularly described in the
14 Annual Budget and Appropriation Ordinance of Harford County, Maryland, as
15 amended, for the year ending June 30, 1993. If the funds derived from the
16 sale of the bonds shall exceed the amount needed to finance said Projects, the
17 excess funds so borrowed and not expended by Harford County, Maryland shall
18 be applied by the County in payment of the next principal maturity of the bonds
19 so issued, unless the County Council of Harford County, Maryland shall adopt
20 a resolution or ordinance allocating said excess funds to finance any lawful
21 modification of such Projects, or to the extent then permitted by law, any other
22 project lawfully undertaken by Harford County, Maryland as may be provided
23 by subsequent resolution or ordinance approved by the County Council of

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1 Harford County, Maryland.

2 SECTION 15. Be it further enacted by the County Council of Harford
3 County, Maryland that in the event the fees and charges described in Section
4 5 are insufficient to pay the principal of and/or interest on the bonds or other
5 indebtedness in any year(s), for the purpose of paying the interest on, premium
6 (if any) and principal of the bonds or other indebtedness authorized by this
7 Ordinance, there is hereby levied and there shall hereafter be levied in each
8 fiscal year that any of the bonds or other indebtedness are outstanding, *ad*
9 *valorem* taxes on real and tangible personal property and intangible property
10 subject to taxation by the County without limitation on rate or amount; and, in
11 addition, upon such other intangible property as may be subject to taxation by
12 the County within limitations prescribed by law, in an amount sufficient
13 together with funds available from other sources, to pay the annual interest on
14 the outstanding bonds or other indebtedness and to redeem the bonds or other
15 indebtedness maturing during the succeeding year; and the full faith and credit
16 and the unlimited taxing power of the County are hereby irrevocably pledged
17 to the punctual payment of the principal of and interest on the bonds or other
18 indebtedness as and when they mature. Harford County, Maryland, by the
19 passage of this Ordinance hereby covenants and agrees properly and promptly
20 to perform all of the respective acts and duties defined in this Ordinance for the
21 levy and collection of the aforesaid *ad valorem* tax upon all the assessable
22 property within the corporate limits of Harford County, Maryland, as the levy
23 and collection of such a tax becomes necessary in order to meet the debt

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1 service requirements of Harford County Water and Sewer Bonds of 1992. By
2 this Ordinance, Harford County, Maryland agrees to take all action it may be
3 legally authorized and empowered to take in order to enforce, in any year in
4 which any of the bonds or other indebtedness are outstanding, the guarantee
5 of such bonds or other indebtedness by Harford County.

6 SECTION 16. Be it further enacted by the County Council of Harford
7 County, Maryland that Harford County, Maryland is hereby authorized and
8 empowered from time to time to issue its Bond Anticipation Note or Notes on
9 the full faith and credit and unlimited taxing power of the County in an amount
10 not exceeding Thirty-Five Million One Hundred Twenty-Five Thousand Dollars
11 (\$35,125,000), the net proceeds of such sale to be used to finance part or all
12 of the cost of the Projects; the sale of such Notes to be upon such terms as
13 may be directed by resolution of the County Council of Harford County,
14 Maryland.

15 Such Bond Anticipation Note or Notes or other evidence of indebtedness
16 shall not have a maturity in excess of twelve (12) months from the date of
17 issue.

18 The Treasurer of Harford County, Maryland, prior to the issuance of any
19 such Bond Anticipation Note or Notes or other evidence of indebtedness of the
20 County shall present the terms of such notes to the County Council of Harford
21 County, Maryland for approval by Resolution of the County Council of Harford
22 County, Maryland prior to the issuance of such Bond Anticipation Note or
23 Notes.

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AS AMENDED**

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AS AMENDED**

1 The Bond Anticipation Note or Notes will bear interest at the rate or rates
2 so negotiated by the Treasurer and approved by Resolution of the County
3 Council of Harford County, Maryland and the Bond Anticipation Note or Notes
4 when issued shall be issued in the name of Harford County by the signature of
5 the County Executive of Harford County, Maryland, the corporate seal of the
6 County shall be imprinted on such Bond Anticipation Note or Notes and such
7 Bond Anticipation Note or Notes shall be used only for those purposes
8 approved in a Resolution of the County Council of Harford County, Maryland
9 adopted subsequent to the adoption of this Ordinance.

10 The Bond Anticipation Note or Notes shall not be issued in an amount
11 greater than the amount of bonds or other indebtedness authorized in
12 anticipation of the sale of which the Bond Anticipation Note or Notes are issued
13 and sold.

14 The principal of and interest on the Bond Anticipation Note or Notes shall
15 be payable out of the first proceeds of sale of the bonds, or from the tax or
16 other revenue which the County shall previously determine to apply to the
17 payment of the bonds and interest thereon.

18 Twelve (12) months interest on the Bond Anticipation Note or Notes or
19 any renewal thereof may be paid from the proceeds of the Bond Anticipation
20 Note or Notes from the proceeds of sale of the bonds accounting from the
21 initial date of issue thereof.

22 By resolution adopted by the County Council of Harford County,
23 Maryland, the County may provide for the renewal of the Bond Anticipation

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1 Note or Notes at maturity with or without resale.

2 Immediately after the sale of the Bond Anticipation Note or Notes and
3 approval by resolution of the County Council of Harford County, Maryland, the
4 proceeds of sale of such Bond Anticipation Note or Notes, after payment of
5 expenses of issuing the same, shall be paid to the Department of the Treasury
6 of Harford County, Maryland. The proceeds of sale of the Bond Anticipation
7 Note or Notes shall be expended only to finance the Projects as defined above.

8 SECTION 17. Be it further enacted by the County Council of Harford
9 County, Maryland that pursuant to Treasury Regulations 1.103-18, governing
10 the use of bond proceeds for the purpose of reimbursing expenditures paid prior
11 to the issuance of bonds, and as permitted by Treasury Regulations 1.103-
12 18(f)(1)(i), the Treasurer of Harford County, Maryland is hereby duly designated
13 to make declarations of Official Intent on behalf of Harford County, Maryland.
14 The County expects that all or a part of the capital expenditures for the Projects
15 will be paid prior to the issuance of the Bonds, and that the proceeds of the
16 Bonds will be used to reimburse the County for capital expenditures paid prior
17 to the issuance of the Bonds. The County reasonably expects to reimburse a
18 portion of the capital expenditures for the Projects with proceeds of the Bonds,
19 in the maximum principal amount of \$3,512,500, and this Ordinance and, as
20 required by Treasury Regulations 1.103-18(f)(3) the Declaration of Official
21 Intent, shall be available for public inspection at the offices of the County
22 during regular business hours and in accordance with the laws of the State of
23 Maryland and Harford County, regarding access to public records.

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1 SECTION 18. Be it further enacted by the County Council of Harford
2 County, Maryland that the County covenants and agrees with the registered
3 owners, from time to time, of the Bonds as follows:

4 (a) The County covenants that it will not make any use of the
5 proceeds of any of the Bonds or any moneys, securities or other obligations on
6 deposit to the credit of the County or otherwise which may be deemed by the
7 Internal Revenue Service to be proceeds of any of the Bonds pursuant to the
8 Internal Revenue Code of 1986, as amended, and Income Tax Regulations
9 thereunder (collectively, the "Code"), which would cause any of the Bonds to
10 be "arbitrage bonds" or "private activity bonds" within the meaning of the
11 Code.

12 (b) The County further covenants that it will comply with those
13 provisions of the Code which are applicable to the Bonds on the date of
14 issuance of the Bonds and which may subsequently lawfully be made applicable
15 to the Bonds. To the extent that provisions of the Code apply to only a portion
16 of the Bonds, proceeds of the Bonds or other moneys, securities or other
17 obligations deemed to be proceeds, it is intended that the covenants of the
18 County contained in this Section 18 be construed so as to require the County
19 to comply with the provisions of the Code only to the extent of such
20 applicability.

21 (c) The County further covenants that it will not (i) take any
22 action, (ii) fail to take any action, or (iii) make any use of the proceeds of any
23 of the Bonds which would cause the interest on any of the Bonds to be or

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1 become subject to federal income taxes in the hands of the registered holders
2 of any of the Bonds.

3 SECTION 19. Be it further enacted by the County Council of Harford
4 County, Maryland that upon recommendation of the County Executive, the
5 County Council of Harford County, Maryland may adopt a resolution pursuant
6 to Article 31, Section 2C of the Annotated Code of Maryland (1990
7 Replacement Volume), authorizing the loan authorized to be incurred and the
8 bonds authorized to be sold by this Ordinance, to be consolidated for sale and
9 issued, sold and delivered as a single issue of bonds with other bonds
10 authorized to be sold to finance capital projects described in the Annual Budget
11 and Appropriation Ordinances, as amended.

12 SECTION 20. Be it further enacted by the County Council of Harford
13 County, Maryland that the provisions of this Ordinance are severable, and if any
14 provision, sentence, clause, section or part hereof is held illegal, invalid or
15 unconstitutional or inapplicable to any person or circumstances, such illegality,
16 invalidity or unconstitutionality, or inapplicability shall not affect or impair any
17 of the remaining provisions, sentences, clauses, sections or parts of this
18 Ordinance or their application to other persons or circumstances. It is hereby
19 declared to be the legislative intent that this Ordinance would have been passed
20 if such illegal, invalid or unconstitutional provision, sentence, clause, section or
21 part had not been included herein, as if the person or circumstances to which
22 this Ordinance or any part hereof are inapplicable had been specifically
23 exempted therefrom.

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AS AMENDED**

1 SECTION 21. And be it further enacted by the County Council of
2 Harford County, Maryland that this Ordinance shall take effect sixty (60)
3 calendar days from the date it became law.

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5 EFFECTIVE: September 8, 1992

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The Secretary of the Council does hereby certify
that fifteen (15) copies of this Bill are immediately
available for distribution to the public and the press.

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Secretary

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6/10/92 (1) dp

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92-46

BY THE COUNCIL

AS AMENDED

BILL NO. 92-46 (As Amended)

Read the third time.

Passed: LSD 92-21 (July 7, 1992)

Failed of Passage: _____

By Order

Doris Poulsen, Secretary

Sealed with the County Seal and presented to the County Executive
for her approval this 8th day of July,

1992 at 3:00 o'clock P.M.

Doris Poulsen, Secretary

BY THE EXECUTIVE

Eileen M. Behrman
COUNTY EXECUTIVE

APPROVED:

Date July 9, 1992

BY THE COUNCIL

This Bill, (No. 92-46, As Amended), having been approved by the
County Executive and returned to the Council, becomes law on
July 9, 1992.

Doris Poulsen, Secretary

EFFECTIVE DATE: September 8, 1992

92-46
AS AMENDED